



OPASTCO

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August 22, 2002

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Ex Parte Notice

**Federal-State Joint Board on Universal Service
CC Docket No. 96-45**

Dear Ms. Dortch,

On Wednesday, August 21, 2002, John Rose and Stuart Polikoff of the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) and Roger Nishi of Waitsfield-Fayston Telephone Co., Inc. met with Eric Einhorn, William Scher, Katherine Shaud Tofigh, and Narda Jones of the Wireline Competition Bureau. Paul Garnett of the Bureau also participated by telephone. The purpose of the meeting was to discuss the FCC's plans for a Notice on universal service portability issues. There was some general discussion of what type of notice it would be (NPRM or NOI), whether the Bureau had already decided on particular issues to be addressed, and when the outcome of the Notice would be implemented. The Bureau staff indicated that they were still in the beginning stages of developing the Notice and had no definitive plans yet.

OPASTCO proposed several issues that should be addressed in the Notice. First, we suggested that the Notice ask whether the FCC should provide state public utility commissions (PUCs) with a standardized list of minimum qualifications and requirements to be used in reviewing potential and existing eligible telecommunications carrier (ETC) designations in rural service areas. A uniform "checklist" that all PUCs

can follow may provide a certain degree of uniformity in the way states consider whether or not granting an ETC designation to a particular carrier would serve the public interest in rural service areas. Second, OPASTCO recommended that the Notice ask whether competitive ETCs should continue receiving universal service support based on the incumbent local exchange carrier's (ILEC) costs in rural service areas. There is no indication that CETCs, particularly ones that have an entirely different network architecture, have costs that resemble that of the ILEC. Providing CETCs with ILEC-based support in excess of their actual costs incents inefficient competitive entry and conflicts with Section 254(e) of the Telecommunications Act of 1996. Finally, OPASTCO suggested that the Notice reconsider the current rule allowing wireless ETCs to use a customer's billing address as a surrogate for the customer's location for purposes of determining the appropriate disaggregation zone or service area.

In accordance with the FCC's rules, this letter is being filed electronically in the above-captioned docket.

Sincerely,

Stuart Polikoff
Director of Government Relations
OPASTCO